



Texas Department of Insurance, Division of Workers' Compensation
7551 Metro Center Drive, Suite 100 • Austin, Texas 78744-1609

MEDICAL DISPUTE RESOLUTION FINDINGS AND DECISION

PART I: GENERAL INFORMATION

Type of Requestor: (X) Health Care Provider () Injured Employee () Insurance Carrier

Requestor's Name and Address:
RGOI Ambulatory Surgery Center LTD
5520 N. "C" Street
McAllen TX 78504

MDR Tracking No.: M4-04-0675-01

Claim No.:

Injured Employee's Name:

Respondent's Name and Address:
Continental Casualty Company
C/o Burns, Anderson, Jury & Brenner
Box 47

Date of Injury:

Employer's Name: Smith-Mobley INC

Insurance Carrier's No.: 3A082985

PART II: REQUESTOR'S PRINCIPLE DOCUMENTATION AND POSITION SUMMARY

The payment by the carrier is inadequate. RGOI is entitled to additional payment so the reimbursement is both fair and reasonable.

- Principle Documentation:
1. TWCC-60
 2. Operative Report
 3. RGOI Statistical Analysis & Graphs pertaining to the surgical procedure
 4. TASB/Maksin Letters
 5. JBJS Outcome Study
 6. RGOI Outcome Study
 7. EOB
 8. UB-92

PART III: RESPONDENT'S PRINCIPLE DOCUMENTATION AND POSITION SUMMARY

As the party seeking relief in this case, the Provider has the burden of proof at the MRD level to show that the amount of payment sought meets the standards for reimbursement under the Act. The Provider has simply not met its burden of proof to show that the total it seeks in this case meets the statutory standards for reimbursement under the Act.

- Principle Documentation:
1. TWCC-60 Response
 2. Position Summary
 3. EOB
 4. Update of Rates & Wage Index for ASC Payments
 5. Nevada Fee Schedule
 6. Rates for Services Under M.G.L.
 7. Pennsylvania Medical Fee Review Section
 8. SOAH Decisions
 9. MDR Decision

PART IV: SUMMARY OF DISPUTE AND FINDINGS

Date(s) of Service	CPT Code(s) or Description	Part V Reference	Additional Amount Due (if any)
09/26/2002	CPT 29826 Shoulder Arthroscopy with Decompression	1	\$87.83

PART V: MEDICAL DISPUTE RESOLUTION REVIEW SUMMARY, METHODOLOGY, AND/OR EXPLANATION

1. This dispute relates to services provided in an Ambulatory Surgical Center that are not covered under a fee guideline for this date of service. Accordingly, the reimbursement determined through this dispute resolution process must reflect a fair and reasonable rate as directed by Commission Rule 134.1. This case involves a factual dispute about what is a fair and reasonable reimbursement for the services provided.

After reviewing the documentation provided by both parties, it appears that neither party has provided convincing documentation that sufficiently discusses, demonstrates, and justifies that their purported amount is a fair and reasonable reimbursement (Rule 133.307). After reviewing the services, the charges, and both parties' positions, it is clearly evident that some other amount represents the fair and reasonable reimbursement.

During the rule development process for facility guidelines, the Commission contracted with Ingenix, a professional firm specializing in actuarial and health care information services, in order to secure data and information on reimbursement ranges for this type of service. The analysis resulted in a recommended range of reimbursement for workers' compensation services provided in ASC facilities. In addition, we received information from both ASCs and insurance carriers in the recent rule revision process. While not controlling, we considered this information in order to find data related to commercial market payments for these services. This information provides a good benchmark for determining the "fair and reasonable" reimbursement amount for the services in dispute.

To determine the amount due for this particular dispute, staff compared the procedures in this case to the amounts within the reimbursement range recommended by the Ingenix study (from 173.9% to 226.5% of Medicare for this particular year 2002). Staff considered the other information submitted by the parties and the issues related to the specific procedures performed in this dispute. Based on this review, staff selected a reimbursement amount in the low end of the Ingenix range. CPT Code 29822 is a component of CPT Code 29826 unless listed with a modifier. In this case the modifier was not used; therefore, that CPT Code is not separately payable.

The total amount was then presented to a staff team with health care provider billing and insurance adjusting experience. This team considered the recommended amount, discussed the facts of the individual case, and selected the appropriate "fair and reasonable" amount to be ordered in the final decision.

Based on the facts of this situation, the parties' positions, the Ingenix range for applicable procedures, and the consensus of other experienced staff members in Medical Review, we find that the fair and reasonable reimbursement amount for these services is \$1,087.83. Since the insurance carrier previously paid a total of \$1,000.00 for the services, the health care provider is entitled to an additional reimbursement in the amount of \$87.83.

PART VI: GENERAL PAYMENT POLICIES/REFERENCES IMPACTING DECISION

28 Texas Administrative Code Sec. 134.1
28 Texas Administrative Code Sec. 133.307

PART VII: DIVISION DECISION AND ORDER

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code, Sec. 413.031, the Division has determined that the requestor is entitled to additional reimbursement in the amount of \$87.83. The Division hereby **ORDERS** the insurance carrier to remit this amount plus all accrued interest due at the time of payment to the Requestor within 30-days of receipt of this Order.

Ordered by:

Marguerite Foster

October 7, 2005

Authorized Signature

Typed Name

Date of Order

PART VIII: YOUR RIGHT TO REQUEST JUDICIAL REVIEW

Appeals of medical dispute resolution decisions and orders are procedurally made directly to a district court in Travis County [see Texas Labor Code, Sec. 413.031(k), as amended and effective Sept. 1, 2005]. An appeal to District Court must be filed not later than 30 days after the date on which the decision that is the subject of the appeal is final and appealable. The Division is not considered a party to the appeal.

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.